



Line Extension Policy

Proposed Changes

Tommy Nylec, P.E., ESD, May 29, 2014





Proposed Policy Comparison

Service Request Category	Current CIAC Collection	Proposed CIAC Collection
Overhead	\$0 unless exceeding 300' allowance	100 % cost paid by requesting party
Underground Residential	Civil work by customer, Excess facilities charges	
Network	Civil work by customer, Excess facilities charges	
Commercial	Civil work by customer, Excess facilities charges	
Industrial/Primary	Negotiated	Negotiated



Outreach Program

- Meetings held on customers' premise as requested
 - Real Estate Council of Austin (RECA)
 - Greater Austin Home Builders Association (GAHBA)
 - Urban Land Institute (ULI)
- General inquiry sessions held at Austin Energy for everyone to attend
- Additional meetings held after policy recommendation changed



Feedback Summary

- Contrasting outcome to IMAGINE Austin initiative
- Affordability concerns due to costs being passed along to end user
- Move growth outside the city limits with negative impacts such as traffic congestion
- Concerns on definition of affordable housing clause



Application Plan – October 2014

- Charges will be based upon all construction costs of request including labor and material
- Charges will be based upon estimate created by design staff
- Customer revisions to existing jobs will void any exemption
- No changes to current fee schedule for excess facilities



EUC Meeting Summary

- Costs will vary based upon specifics of project particularly type and location
- Existing jobs will be exempted if received prior to start date
- Policy will not change existing rate structure, but will have future impact
- EUC recommended to proceed with 100% cost recovery